

### Amendments to the Claims

Claim 1 (Currently amended): A computer-assisted method of creating a virtual health care network that spans multiple states and seeks to maximize health care savings while minimizing the inconvenience to participants in changing health care providers, the method comprising:

identifying a plurality of health care networks in each of the states for analysis wherein each of the health care networks comprises a plurality of health care providers;

for each of the plurality of health care networks, collecting information concerning utilization of the health care providers in the network by the participants;

computing measures of network utilization for each of the plurality of health care networks using a computer, wherein the measures of network utilization comprise number of the participants who utilize the health care providers in the network, a percentage of the participants who utilize the health care providers in the network, a measure of total health care costs in the network, and a measure of a percentage of health care costs in the network;

comparing the measures of network utilization in each of the states for the health care networks;

selecting one or more health care networks for each state based on the measures of network utilization to provide a reduced number of health care networks for each state;

of the health care networks in a particular state, projecting future health care savings accruing over the entire network for the one or more of the health care networks;

wherein the future health care savings are projected based upon historical hospital charges and historical physician charges for the participant, health care network discounts for hospital charges, health care network discounts for physician charges, and a portion of the historical health care costs projected to fall to a health care provider in the network;

selecting one or more of the health care networks per state having a highest projected savings from the reduced number of health care networks for each state to thereby further reduce number of health care networks associated with each state;

forming a virtual health care network from the one or more health care networks per state having the highest projected savings to thereby maximize health care savings while minimizing

inconvenience to participants in changing health care providers for participants in the virtual health care network; and  
providing an output from the computer indicative of the virtual health care network.

Claim 2 (Cancelled).

Claim 3 (Original): The method of claim 1 wherein the health care network is a managed care network.

Claim 4 (Original): The method of claim 3 wherein the managed care network is a preferred provider organization (PPO).

Claims 5-8 (Cancelled).

Claim 9 (Currently amended): A computer-assisted method of creating a virtual PPO network from a plurality of networks that seeks to maximize savings under the plan, each of the networks comprising a plurality of health care providers, the method comprising:

for each of the group health care networks, collecting information concerning the number of potential plan participants who utilize one of the health care providers of the networks;  
determining utilization for each of the networks in the plurality of networks based upon the number of potential plan participants who utilize one of the health care providers of the networks;

comparing the utilizations for the networks;

identifying a reduced set of the networks with the highest utilization, the reduced set of the networks less than a total number of networks;

for each of the networks in the reduced set of networks, calculating future savings for the network based upon historical ~~health care costs~~ hospital charges and physician charges for plan participants, network discounts for hospital charges and network discounts for physician charges, and a portion of the historical health care costs projected to fall to one

of the health care providers in the network, wherein the step of calculating is performed using a computer;

selecting one or more of the networks having greatest future savings; and  
providing an output from the computer indicative of the virtual health network.

Claim 10 (Original): The method of claim 9 wherein the network is a preferred provider organization (PPO).

Claim 11 (Original): The method of claim 10 wherein the PPO is selected for a particular state.

Claims 12-19 (Cancelled)